

REFLECTIONS on the Advertisements in the Post-Boy, and Mist's Journal of the 13th of May, concerning the Loans, Redeemables, and Money Subscribers.

IN Justice to the Proprietors of the Redeemable Debts, I could not pass unobserv'd the Advertisements in the Post-Boy, and Mist's Journal of Saturday the thirteenth of May, so grossly misrepresenting their Case, and so partially representing that of the Borrowers. The Advertisements run thus: "It has been industriously reported by the Enemies to the Rise of Publick Credit, that a Law would be obtain'd to oblige the unhappy Sufferers, (who borrow'd Money on their South-Sea Stock) to repay the same, which would inevitably Ruin many thousand Families: Upon Enquiry we find the said Report to be altogether groundless; and since it hath been thought just and equitable to remit 500 l. per Cent. to the Redeemables, and 700 l. per Cent. on the 3d and 4th Subscriptions, 'twould be monstrous to believe such Hardships would be put on the Persons concern'd in the Loans, when so great a Part of their Property is destroy'd.

The Force of this Advertiser's Argument as to the Redeemables, is upon this supposed Fact, That the Property of the Borrowers is destroy'd, or more properly lessen'd in value, by remitting 500 l. per Cent. to the Redeemables, which must also suppose, that the Loans were made after the Subscription of the Redeemables.

If it shall therefore appear, that neither of the afore-mention'd Facts are true, but on the contrary, that not only all the Money Subscriptions were taken in, and all the Loans made, before the Subscription of the Redeemables, and that they, so far from being remitted 500 l. per Cent. have had no Remittance or Relief at all; then let all disinterested Persons judge, on whom the Hardship falls, and whose Property is destroy'd, should not the Loans be repaid.

This Assertion of the Advertiser depending on Facts, it will be necessary to show, the different Times of the two Subscriptions of the Publick Debts, the Times of each Money Subscription, and the Time when the Loans were first made.

The first Subscription of Publick Debts for the Unredeemables only was on the ——— Day of April, who, by a Declaration of May 19, 1720, had 7 Days allowed to accept or refuse the Terms.

On the 14th of April 1720, a Money Subscription was taken in at 300 l. per Cent.

On the 21st of April 1720, the Company agreed to lend Money on their Capital.

On the 29th of the same April, another was taken in at 400 l. per Cent.

On the 16th of June, another was taken in at 1000 l. per Cent. And,

On the 24th of August 1720, a fourth was taken in at 1000 l. per Cent. Also,

On the 4th of June, in pursuance of the Resolution of the 21st of April, 400 l. per Cent. was agreed to be Lent on 100 l. Capital; how long the Company continued Lending is not quite certain, but it is generally supposed, little or no Money was Lent after the 4th Money Subscription; but what is certain, and answers the Redeemables purpose, none was Lent after the 15th of October 1720.

On the 30th of August 1720, the Directors resolved to divide 30 l. per Cent. for the Christmas Dividend, and not less than 50 l. per Cent. for the next 12 Years.

The 2d Subscription of the Publick Debts, when the Redeemables were taken in, was on the 15th of October 1720, and not sooner.

This is a Fact that is not generally known, and I have the Charity to believe that this Advertiser was ignorant of, otherwise he would not have laid his whole Force on an Argument false in it self, and easily proved so.

To make this more clear, and show how, in what Manner the Redeemables were taken in, and where the Mistake lies: Six of the Directors did on the 8th of July 1720, give Notice to the Accomptant-General of the Bank. "That Books for taking in Subscriptions of the Redeemables should be open'd on the 14th of July in the Morning.

Accordingly on the said 14th, the Redeemable Proprietors went to the South-Sea House in order to subscribe their Debts, where, instead of having Books to sign, loose Papers were scatter'd on the Tables, and they were told by the Clerks, it was sufficient to sign those Papers, which they accordingly did, and expected the Directors would have offer'd them Terms to accept or refuse, as was done to the first Subscribers of Debts, and without which no Agreement can be compleat.

On the 12th of August 1720, the Directors did declare that they would allow Stock at 800 l. per Cent. to the Redeemables. After that on the 30th of Sept. following, according to a Power given at a General Court of the 20th of Sept. the Directors did by Way of Relief (as it was term'd) declare the Redeemables should have Stock on the same Terms as the Bank of England, (with whom they also declared at the same Court, they had agreed for their Redeemable Debt of 3,775,000 for Stock at 400 l. several Bank Directors were then present and acquiesc'd in it) and had the Thanks of the General Court of the South-Sea Company.

But now the Redeemables are told, that when they signed those loose Papers in Manner before related, that indeed they did not then subscribe their Debts, but that on

on those loose Papers there was contain'd a *Letter of Attorney* to Knapp, Safford, and Whittingham, or either of them, (3 Clerks and Servants of the Directors) impowering them to *subscribe their respective Debts, at such times, and upon such Terms, as a Court of Directors should appoint and agree.* And that the said Safford and Whittingham had, in pursuance of such Power, on the 15th of October 1720, executed that Power, and subscribed the Debts of the several Proprietors into the South-Sea Books at 400l. per Cent. for each 100l. Principal.

This Act of these two Attorneys on the said 15th of October, is the only Pretence of holding the Redeemables to these unmerciful Terms, (and herein they Act consistently enough, I say nothing of the Honesty of it) and not the Act done by the Proprietors themselves by signing the said loose Papers; for it is well known an Act done by virtue of a Letter of Attorney hath Force only from the Time of executing that Power, and not from the Date of the Letter of Attorney.

If any Person doubts the Truth of this Fact, let him examine the Papers laid before the House of Commons, from thence I had it, and now have a Copy of that Agreement, executed as aforesaid on the 15th of October by the said Safford and Whittingham, whether they have had or deserve Thanks for their *faithful* Performance of their *Trust*, they well know.

I think, by the Facts above stated, I have proved not only my Assertion, that all the Money Subscriptions were taken in, and the Money Lent, before the supposed Subscriptions of the Redeemables; but the other Assertion, that they have had no Relief nor Remittance at all: For at the Time of the Declaration at 800l. in August, and afterwards at 400l. in Sept. the Redeemables were not subscribed at all, not till the 15th of October, and of consequence those Declarations related to nothing, to a Thing not in Being, and from the not well knowing these Facts, the Mistake, I suppose, of the Advertiser arose, that 500l. per Cent. was remitted to the Redeemables, in prejudice to the Borrowers.

This Fact is also a full Answer to those clamorous Gentlemen, who pretended to have bought Stock at high Prices, on the Faith of the Redeemables: For it appears by the Daily Courant of the said 15th of October, that South-Sea Stock was on that Day but 190, 160, to 180, and rose very little afterwards, and continued but a short time above 200, so that little or no Stock hath been at all bought at 200, since the Subscription of the Redeemables.

Another Answer, that the high Prices were not given on the Faith of the Subscriptions of the Redeemables, is, because on the 16th of June, South-Sea Stock was 760, and was actually 820, before the Declaration on the 12th of August, as appears by the recital in the Declaration itself, and never after rose to 900 ready Money.

But the Truth is, the Money Subscriptions (the 3 first being actually taken in before the Fraudulent Letter of Attorney, was obtained) and the Declaration of 50l. per Cent. for 12 Years, were the Allurements, therefore the Borrowers ought to turn their Arguments against relieving the Money Subscribers, instead of the Redeemables.

Thus it sufficiently appears, neither the Borrowers, nor Money Subscribers, nor Purchasers of Stock at high Prices, have any real Fault to lay on the Redeemables, the Fault lies on *their own Directors*, who declared Falsties to them, and on their Credulity for believing those Falsties.

The Redeemables came in on the Faith that the Money Subscriptions would have been made good, and the Loans repaid, and then instead of loosing, they would have gained, but by the excessive Charity shown to the Money Subscribers, it is apparent on whom the *Hrrdship* falls, and whose *Property is destroy'd*; and should the Loans be remitted, how much heavier would the Calamity yet be, and the Redeemables be obliged by Act of Parliament to accept of those, and indeed any Terms without their Consent, according to the modest Desire of some Persons.

If an Agreement executed in Manner above stated, by a Power fraudulently, if not by Forgery obtain'd, by Attorneys, who were the Clerks and Servants of the Directors, their Masters, under their Power and Influence, by them appointed without the Knowledge, Consent, or Privity of the Redeemables, upon Terms unreasonable, to accept of Stock at 400l. when the nominal Value was only 100l. and the real Value much less, might not these Attorneys by the *same Power*, and with *equal Justice*, have given up the whole Property of the Redeemables, and as well justified it, as by giving away only three Parts in four.

If an Agreement executed as before stated, with the Bank, upon several Treaties, upon Terms proposed and known, was not insisted on by the South-Sea Company, nor by the then L--ds of the T--f-y, how much more reason was there, to have released the Redeemables from the Fraud and Treachery imposed on them.

The Advertiser's Argument from the Calamity which would befall the Borrowers by Repayment, may be compassionate to some, but since there must be a Calamity, where ought it with most Justice to fall? and since there must be a Suffering, who ought to suffer, or who will be said to suffer most, he who suffers by repaying Money *bona fide* lent, and actually received in Specie, or he who suffers by Fraud and Injustice, by having his Property taken from him by Force, and without his Consent, and given to others? Did not the Borrowers receive the Money? Did they not intend their Stock as a Pawn only? Was not the Company obliged to retransfer on Payment of the Loan? Was it

not

be legal

not usual to buy and sell mortgaged Stock? Can it be unjust to repay a just Debt? Who were more instrumental in raising the nominal Value of South-Sea Stock than those Borrowers? Which Act hath been declared by the Parliament a great Crime, would not this be putting the Redeemables in the Place of the Borrowers, and obliging them to pay the Borrowers Loans.

The Advertiser sets out with a remarkable Expression *viz. It is reported by the Enemies of the Rise of Publick Credit.* These Words have been always hitherto understood of National Faith, by keeping inviolable the Contracts and Engagements made by the Publick for Money *bona fide* lent. To this purpose, several Acts of Parliament were made in the Two last Reigns, upon Deficiency of Funds for the Advancement of Publick Credit. It was this brought Publick Credit into such Repute, and encouraged the Subject to trust the Government; and sure nothing but a just Payment of those Debts will restore that Credit: No doubt therefore, the Parliament, instead of obliging the Redeemables to accept 5 s. per Pound by a Law, according to the Conscience of some, will take Care that they are justly paid; the Parliament knows that the British Honour and Faith is at Stake for it.

The House of Commons hath this Sessions resolved to leave all Contracts with the South-Sea Company, to the Decision of Law, and in pursuance of such Resolution a Clause was added to the Bill of Powers, and passed into a Law accordingly. This, no doubt, was done in regard to that most valuable Part of our Constitution, that no Man should suffer in his Liberty, or Property, without being heard. The Laws of the Land all Persons claim as their Birthright; this the greatest Criminal claims, and is allowed: The House of Commons well knows that they are not a Court of Judicature: That Westminster-Hall is the proper Place, to determine Matters of Right; that the Redeemables have been far from forfeiting their Right to the Law, and that they have at least as good a Right thereto as the vilest Criminal: With a View to this, was the said resolution and Law pass'd: How vain therefore must the Expectations of those be, who would devour the innocent Widows, and harmless Orphans, who were led into these Difficulties by no Will, nor Inclination of their own, but their Trustees have acted in Obedience to an Act of Parliament, and by that Act are indemnified, so the Loss must fall on the Innocent.

It may indeed be worthy the Consideration of the Parliament, for the Sake of these innocent Persons, to facilitate the Methods of obtaining their Right by Law, from the South-Sea Company, who have seized on their Estates, how justly, is before represented.

The entire Neglect, by the late Directors of the Act of Parliament, which had so well Guarded against all Force and Compulsion, Fraud and Injustice, on the Proprietors of the Publick Debts, the Fraud and Treachery of the Managers, appointed by the Lords of the T..s..y, and of OTHERS who are more guilty than the Directors, and without whom this Iniquity could not have been compleated, is not now insisted on; neither are several other Arguments, which must naturally arise to any considerate Person.

I would not be here understood to justify any of the Proceedings of the whole Management, for, no Doubt, the Case of all Persons concern'd in the South-Sea is very hard (except those who have not, during this Transaction, alter'd their Property) but the Money Subscribers, and Purchasers at high Prices, bought voluntarily with their Eyes open, knew their Terms, and had Opportunities to make considerable Advantages. Some have gained, and some lost, but the Redeemables have come to no Agreement with the Company, have had no Terms offer'd, have had no Opportunity of Gain, and if forced to accept of South-Sea Stock, must certainly lose near three Parts in four of their Property.

To demonstrate yet further where the Hardship falls, and whose Property is destroyed, it will be necessary to show what Relief each Money Subscriber hath had, and the Prejudice arising to the Redeemables therefrom, and greater would ensue, if the Loans be not repaid. From hence all Persons may judge, (supposing the Redeemables are Proprietors of the South-Sea Company) if all the Adventurers have been equally consider'd; if the Load hath not been taken from one, and laid on another; if the one hath not been reliev'd at the Expence of another; and if, almost, the whole Burthen is not laid on those who have the least, or more properly, no right at all to bear it.

The Proprietors of the Redeemables are computed to consist of 50000 Persons, above 14 Millions of whose Debts, were at first, declared to have been subscribed, but, now it is said 12 Millions only are subscribed, to whom these Favours have been shown, is not yet known, but to whom they have not been shown, is certain; The same rule of Justice hath been observed also in all the Money Subscriptions.

The Long and Short Annuities are for an absolute Time, for between 70 and 80 Years to come, and then cease, and are therefore called Unredeemable, and cost the Government at a Medium 15 and a half Years Purchase.

The Lottery Annuities are subject to Redemption by Parliament, and are therefore called Redeemable, some carry 4 l. per Cent. and some 5 l. per Cent. 100 l. per Annum whereof is enjoy'd until the Proprietor hath 2000 l. Principal Money paid; which therefore is of the greatest Value, 100 l. per Annum for a Term of Years only, or 100 l. per

per Annum for ever? Yet the Directors by their Judgment have made the 100 l. per Annum which is for Years only, worth more than as much again than the 100 l. per Annum of the Lottrey Annuity, as appears by this Calculation; neither have the Directors made any Difference in Value between the 5 l. per Cent. and the 4 l. per Cent. Lottery Annuities.

And not to depreciate the Value of South-Sea Stock, I will suppose it at 140 l. per Cent.

100 l. per Annum Long Annuity in the first Subscription hath in Stock } l. s. d
(including the Midsummer Dividend) 770 l. which at 140 l. per Cent. is } 1078 0 0
In Bonds and Money - - - - - 575 0 0

Total 1653 0 0

100 l. per Annum Long Annuity of the 2d Subscription, as it now stands, }
hath in Stock, as aforesaid, 880 l. which at 140 l. per Cent. is } 1232 0 0

But by the other Days Bounty, these Annuitants are to be made of equal Value with the Long Annuities first subscribed.

100 l. per Annum Lottery Annuity, (being the Redeemable Debt) hath }
only in Stock, as aforesaid, 550 l. which at 140 l. per Cent. is } 770 0 0

Supposing therefore the Long Annuity and Lottery Annuity of equal Value, and to be worth 20 Years Purchase, the Long Annuity loses only 347 l. and the Lottery Annuity 1230 l. out of the same Principal Sum of 2000 l.

Next, to compare the Redeemables and the several Money Subscribers. A Money Subscription is nothing else than purchasing Stock of the Company, and to pay the Money at future Times, and agreeing to forfeit the Payments made, in case of failure of the future Payments. Supposing therefore each Subscriber had agreed to purchase 1000 l. Stock in each Subscription; the following Calculations show their Loss and their Relief.

Ought to have paid in the	Money actually paid in as per Casting's Papers.	For which in Stock at 300 including Mid Dividend.	Worth at 140 per Cent.	Loss thereby.	From the principal Sum of
l.	l.	l. s. d.	l. s. d.	l. s. d.	l.
1st Sub. 3000	1500 0	550 00 0	770 00 0	730 0 0	3000 0 0
2d Sub. 4000	800 0	266 13 4	371 06 6	428 13 6	4000 0 0
3d Sub. 10000	1000 0	369 19 0	502 18 6	497 1 6	10000 0 0
4th Sub. 10000	2000 0	739 18 0	1005 17 0	994 3 0	10000 0 0

Whereas a Lottery Annuitant hath for his 10000 0 0

Actually paid in.	In Stock at 400 l.	Which at 140 per Cent.	Loss thereby.
l.			
10000	2750 0 0	3850 0 0	6150 0 0

Whereas a Proprietor of the Old Stock upon his Capital of 10000 l. at 140 per Cent. including also Mid. Dividend, gains ~~3080~~ 5400

The Reason of this Disproportion in the Losses and Gain is plain, because the 3d Subscription is remitted 9 Parts in 10, the 4th Subscription 4 Parts in 5, and the two first Subscriptions from their future Payments; and the Lottery Annuitant is kept in for his whole Sum of 10000 l. to make therefore the Redeemables and the 3d Money Subscribers equal Sufferers, the Redeemables ought to be released 9 Parts in 10, of their Sum supposed to be Subscribed.

REFLECTIONS

ne Advertisements in the Post-Y, and Mif's Journal, of the th of May, concerning the ans, Redeemables, and Money bscribers, wherein the several ts are fairly stated.